

# Contemporary Developments in Alternative Dispute Resolution: The Indian Experience

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## ABSTRACT

### Background

"The justice system must be accessible, affordable, and efficient; ADR offers a viable path to achieve these goals." – Chief Justice M. N. Venkatachaliah. "Access to justice is a fundamental right, and ADR mechanisms are essential tools to make that right meaningful." – N. R. Madhava Menon.

### Introduction

The administration of justice in any legal system must strike a delicate balance between procedural rigor and substantive fairness. In India, the conventional court system has historically been burdened by delays, high litigation costs, and procedural complexities. These challenges have compelled policymakers, jurists, and scholars to explore alternative modes of dispute resolution which are more accessible, efficient, and responsive to the needs of a diverse population.

### Objective

The legal framework governing ADR in India has undergone substantial transformation through legislative reforms, judicial interventions, and policy initiatives aimed at promoting access to justice and reducing the burden on courts. This article examines the contemporary developments in ADR in India, with particular emphasis on recent legislative and institutional reforms. It analyses the evolving legal framework under the Arbitration and Conciliation Act, 1996, the enactment of the Mediation Act, 2023, the growing role of Lok Adalats and Online Dispute Resolution (ODR), and the judiciary's proactive efforts in encouraging consensual dispute resolution.

### Methodology

This paper evaluates the legal architecture governing ADR in India, tracing its historical evolution, statutory foundations, and contemporary transformations. It also critically analyses the effectiveness of these mechanisms in advancing access to justice and identifies emerging trends that are reshaping the ADR landscape.

### Conclusion

The article concludes that contemporary developments have positioned ADR as an indispensable pillar of the Indian legal system, contributing substantially to judicial efficiency, dispute prevention, and the promotion of a culture of consensual conflict resolution.

**Keywords:** Alternative Dispute Resolution, Arbitration, Mediation Act, 2023, Conciliation, Lok Adalat, Online Dispute Resolution, Access to Justice, Judicial Reforms, India.

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## 2.1 Concept and Philosophy of ADR:

The philosophy underlying ADR is best understood as a shift in how we perceive justice itself. Rather than viewing justice as something that is only delivered delivered through formal courtrooms, ADR reflects a more grounded and human approach one that recognises that conflicts are not merely legal problems, but also social and

emotional realities that require sensitive handling<sup>1</sup>.The ADR is built on the belief that people should have a meaningful role in resolving their own disputes.This idea of participatory justice marks a significant

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<sup>1</sup> S.P. Sathe, *Judicial Activism in India: Transgressing Borders and Enforcing Limits*(Oxford University Press, 2002).

departure from the adversarial system, replacing confrontation with cooperation<sup>2</sup>. Another important aspect of ADR philosophy is its emphasis on preserving relationships. In this sense, the goal is not simply to settle a dispute, but to restore a sense of balance and understanding. ADR attempts to address these barriers by offering simpler, quicker, and more affordable methods of dispute resolution. It reflects an understanding that justice should not be a privilege available only to those who can afford it, but a basic right accessible to all sections of society. Confidentiality is another important philosophical element. Unlike court proceedings, which are generally public, ADR processes are usually conducted in private. This allows parties to speak freely, express their concerns honestly, and explore solutions without fear of public scrutiny. Such an environment encourages openness and often leads to more genuine and lasting settlements<sup>3</sup>. It is also worth noting that the philosophy of ADR is not completely novel in the Indian context. By doing so, ADR does not replace the courts but complements them, offering an alternative path that is often more suited to the realities of everyday life<sup>4</sup>.

## 2.2 Constitutional Mandate for ADR:

Constitutional basis of **Alternative Dispute Resolution (ADR) in India is most clearly reflected in Article 39A of the Constitution**, which envisions a legal system that is not only fair in theory but also accessible in practice. This provision calls

upon the State to ensure that justice is made available as per equal opportunity, and that no individual is denied access to legal remedies merely because of financial hardship or other disadvantages<sup>5</sup>. In essence, it transforms access to justice from an abstract ideal into a concrete constitutional responsibility. It is not simply an optional substitute for litigation, but a practical expression of the constitutional promise to make justice more inclusive, affordable, and responsive<sup>6</sup>. **The judiciary has played a significant role in reinforcing this vision. Courts have repeatedly interpreted Article 39A as imposing a positive duty on the State to actively create and support mechanisms that improve access to justice**<sup>7</sup>. By encouraging dialogue and mutual understanding, these processes often lead to outcomes that are both quicker and more satisfactory for the parties involved<sup>8</sup>.

## 2.3 Statutory Framework Governing ADR:

The statutory framework governing ADR in India reflects a carefully structured effort to integrate flexibility within the formal legal system. Rather than existing outside the law, ADR mechanisms are firmly rooted in a network of statutes, procedural provisions, and institutional arrangements that collectively support their functioning<sup>9</sup>. This framework demonstrates a conscious legislative and judicial attempt to make dispute resolution more accessible, efficient, and responsive to the needs of society<sup>10</sup>. At its core, the legal architecture of ADR is designed to offer parties meaningful alternatives to conventional

<sup>2</sup>Afcons Infrastructure Ltd. v. Cherian Varkey Construction Co. (P) Ltd., (2010) 8 SCC 24 (recognising the importance of ADR and party autonomy in dispute resolution).

National Legal Services Authority (NALSA), Annual Report (latest available edition).

<sup>2</sup> S.P. Sathe, *Judicial Activism in India: Transgressing Borders and Enforcing Limits* (Oxford University Press, 2002).

<sup>2</sup>Afcons Infrastructure Ltd. v. Cherian Varkey Construction Co. (P) Ltd., (2010) 8 SCC 24 (recognising the importance)

<sup>3</sup>Carrie Menkel-Meadow, "The Many Ways of Mediation: The Transformation of Traditions, Ideologies, Paradigms, and Practices," (1995) 11 *Negotiation Journal* 217.

<sup>4</sup> P.C. Rao & William Sheffield (eds.), *Alternative Dispute Resolution: What It Is and How It Works* (Universal Law Publishing, 1997).

<sup>5</sup>Constitution of India, Article 39A (Directive Principles of State Policy).

<sup>6</sup>Hussainara Khatoon v. State of Bihar, (1980) 1 SCC 81 (recognising access to justice and legal aid as essential to fair procedure).

<sup>7</sup>Khatri (II) v. State of Bihar, (1981) 1 SCC 627 (holding that the State is under a constitutional obligation to provide free legal aid).

<sup>8</sup>Salem Advocate Bar Association v. Union of India, (2005) 6 SCC 344 (encouraging the adoption of ADR mechanisms to ensure speedy justice).

<sup>9</sup>The Code of Civil Procedure, 1908, § 89; see also Salem Advocate Bar Association v. Union of India, (2005) 6 SCC 344.

<sup>10</sup>Law Commission of India, 222nd Report on Need for Justice-dispensation through ADR etc.(2009).

litigation without compromising on fairness or legality.

Overall, the statutory framework governing ADR in India reflects an evolving understanding of justice one that recognises the importance of providing diverse pathways for dispute resolution. By combining legal authority with procedural adaptability and institutional support, it creates a system that is not only effective in reducing the burden on courts but also better aligned with the realities of human conflict<sup>11</sup>.

### **2.3.1 Arbitration and Conciliation Act, 1996:**

The Arbitration and Conciliation Act, 1996 constitutes the cornerstone of the statutory framework governing arbitration and conciliation in India. Enacted with the objective of modernising dispute resolution practices, the legislation represents a significant departure from earlier, more rigid legal regimes. It seeks to align Indian arbitration law with globally accepted standards, mostly those reflected in UNCITRAL Model Law on International Commercial Arbitration, thereby facilitating both domestic and international commercial dispute resolution<sup>12</sup>. It embodies a modern approach to dispute resolution one which is responsive to needs of commerce, respectful of party autonomy, and aligned with international best practices. By doing so, it plays vital role in strengthening broader ADR landscape in India.

### **2.3.2 Evolution of the Arbitration and Conciliation Act, 1996: An Analytical Discussion:**

The development of arbitration law in India reflects a transition from a court-dominated system to a modern framework based on party autonomy and minimal judicial intervention. Initially governed by the **Arbitration Act, 1899** and provisions of the

**Code of Civil Procedure, 1908**<sup>13</sup>, arbitration lacked a comprehensive legal structure. The **Arbitration Act, 1940** sought to consolidate the law but was criticized for excessive court involvement, resulting in delays and procedural inefficiency.

A major reform occurred with the enactment of the **Arbitration and Conciliation Act, 1996**, which was based on the **UNCITRAL Model Law on International Commercial Arbitration**<sup>14</sup>. The Act introduced a unified framework for arbitration and conciliation, emphasizing party autonomy, procedural flexibility, and limited judicial interference. Judicial decisions such as *Bharat Aluminium Co. v. Kaiser Aluminium Technical Services Inc.* (BALCO) further strengthened the pro-arbitration approach. This evolution is not merely legislative in nature; it represents a deeper transformation in the philosophy of dispute resolution moving from excessive judicial control towards party autonomy, efficiency, and global compatibility<sup>15</sup>.

Subsequent amendments in 2015, 2019, and 2021 enhanced efficiency, promoted institutional arbitration, and addressed issues relating to enforcement and arbitral awards. Today, arbitration in India has evolved into a more effective and internationally aligned dispute resolution mechanism, reflecting the country's commitment to strengthening ADR and improving access to justice. In summary, evolution of arbitration law in India is not merely story of legislative change, but of a deeper shift in legal culture. It underscores the growing acceptance of ADR as integral component of justice delivery system. While challenges remain, the trajectory of reforms indicates a clear commitment to strengthening arbitration as credible, efficient, globally competitive strategy for dispute resolution.

### **2.4 Legal Services Authorities Act, 1987:**

LSAA, 1987 represents landmark in India's effort to translate constitutional promise of equal access to justice into a practical reality. Enacted in furtherance of mandate embodied in Article 39A of Constitution, the Act does more than merely

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<sup>11</sup>Law Commission of India, 238th Report on Amendment of Arbitration and Conciliation Act, 1996 (2014).

<sup>12</sup>The Arbitration and Conciliation Act, 1996 is based on the UNCITRAL Model Law on International Commercial Arbitration, adopted in 1985 and revised in 2006.

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<sup>13</sup> The Arbitration Act, 1899; The Code of Civil Procedure, 1908 (Sections relating to arbitration)

<sup>14</sup> UNCITRAL, Model Law on International Commercial Arbitration (1985).

<sup>15</sup> Avtar Singh, Law of Arbitration and Conciliation, 11th ed. (Eastern Book Company, 2013).

provide legal aidit creates an institutional framework through which justice can be made accessible, participatory, and humane<sup>16</sup>. In doing so, it bridges the gap between formal legal rights and their actual realisation, particularly for those who are socially or economically disadvantaged.

LSAA, 1987 is establishment of multi-tier institutional structure designed to deliver legal services across the country. At the apex is NALSA, that is responsible for laying down policies and guiding overall implementation of legal aid programmes. At state level, SLSAs adapt these policies to local conditions, while DLSAs and Taluk Legal Services Committees ensure that legal assistance reaches people at the grassroots level<sup>17</sup>.

In conclusion, LSAA, 1987 stands as vital pillar of India's ADR framework. It not only institutionalises legal aid but also promotes a more humane and participatory model of dispute resolution. By bringing justice closer to the people, it gives concrete expression to constitutional vision of equality and access to justice for all.

### 2.5 Code of Civil Procedure, 1908 (Section 89):

CPC, 1908, through the introduction of Section 89, marks a significant pivotal moment in integration of ADR within formal judicial process. This provision reflects a conscious legislative effort to move beyond the traditional adversarial model of litigation and to encourage more cooperative, solution-oriented approach to dispute resolution. Section 89 of CPC, 1908 is pivotal provision that embeds ADR within the heart of the civil justice system. It reflects a progressive legislative vision that seeks to balance formal adjudication with consensual dispute resolution. By encouraging courts to adopt a more facilitative role, this results in highly

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<sup>16</sup> . Constitution of India, Article 39A (Directive Principle mandating equal justice and free legal aid).

<sup>17</sup> Sections 3, 6, 9 & 11A, Legal Services Authorities Act, 1987 (establishment of NALSA, SLSA, DLSA, and Taluk Committees).

effective, accessible, humane system of justice<sup>18</sup>.

### 2.6 Commercial Courts Act, 2015:

The Commercial Courts Act, 2015 demonstrates significant development in the evolution of dispute resolution in India, particularly within the commercial sphere. Enacted with objective of ensuring speedy and efficient resolution of high-value commercial disputes, the Act goes beyond procedural reform and actively integrates ADR into the litigation process. In doing so, it reflects a broader shift towards making dispute resolution more pragmatic, time-sensitive, and business-oriented.

One of most noteworthy features of Act is introduction of mandatory pre-institution mediation under Section 12A<sup>19</sup>. This

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<sup>18</sup> See generally Mulla, *The Code of Civil Procedure*, Vol. I (LexisNexis, latest ed.), commentary on § 89

<sup>19</sup>Section 12A – Pre-Institution Mediation and Settlement

Here is the statutory provision under the Commercial Courts Act, 2015:Section 12A (as inserted by the 2018 Amendment)

(1) A suit, which does not contemplate any urgent interim relief under this Act, shall not be instituted unless the plaintiff exhausts the remedy of pre-institution mediation in accordance with such manner and procedure as may be prescribed by rules made by the Central Government.

(2) The Central Government may, by notification, authorise the authorities constituted under the Legal Services Authorities Act, 1987, for the purposes of pre-institution mediation.

(3) Notwithstanding anything contained in the Legal Services Authorities Act, 1987, the authority authorised by the Central Government under sub-section (2) shall complete the process of mediation within a period of three months from the date of application made by the plaintiff under sub-section (1):

Provided that the period of mediation may be extended for a further period of two months with the consent of the parties.

(4) If the parties to the commercial dispute arrive at a settlement, the same shall be

provision requires parties, in specified categories of commercial disputes, to attempt mediation before approaching the court, unless urgent interim relief is sought. The rationale behind this requirement is both practical and forward-looking. By encouraging parties to explore settlement at an early stage, the law seeks to prevent avoidable litigation and reduce the strain on commercial courts.

### 2.7 Types of ADR Mechanisms in India:

The landscape of ADR in India is marked by a diverse range of mechanisms, each designed to address different kinds of disputes in a manner that is flexible, efficient, and responsive to the needs of the parties. These mechanisms, while varying in formality and procedure, share a common objective reducing reliance on adversarial litigation and promoting consensual, time-effective resolution of conflicts.

#### 2.7.1 Arbitration:

Arbitration stands as the most formalised and structured form of ADR, closely resembling judicial adjudication in its procedural framework. A key strength of arbitration lies in its recognition of party autonomy, allowing parties to access procedural rules, choose arbitrators, and decide the seat of arbitration<sup>20</sup>. This flexibility, coupled with confidentiality, makes it especially attractive in commercial contexts where sensitivity and speed are crucial<sup>21</sup>. However, arbitration in India has not been free from criticism. In practice, particularly in ad hoc arbitration, proceedings have sometimes mirrored the delays and costs associated with litigation. Judicial intervention, though limited in principle, has occasionally contributed to procedural complexity. These concerns have prompted legislative reforms

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reduced into writing and shall be signed by the parties to the dispute and the mediator.

(5) The settlement arrived at under this section shall have the same status and effect as if it is an arbitral award on agreed terms under subsection (4) of Section 30 of the Arbitration and Conciliation Act, 1996.

<sup>20</sup>The Arbitration and Conciliation Act, 1996, §§ 10, 11, 20.

<sup>21</sup> O.P. Malhotra & Indu Malhotra, *The Law and Practice of Arbitration and Conciliation*, 3rd ed. (LexisNexis, 2014).

aimed at making arbitration more efficient and institutionally robust<sup>22</sup>.

#### 2.7.2 Mediation:

Mediation represents more collaborative and less formal method of dispute resolution. To allow disputing parties to reach a mutually acceptable agreement, a neutral third party known as the mediator promotes communication between them in this voluntary and non-binding procedure. The strength of mediation lies in its ability to preserve relationships and encourage constructive dialogue. It is predominantly effective in disputes where ongoing relationships are important, namely family matters, business partnerships, community conflicts. Courts frequently refer suitable cases to mediation under Section 89 of CPC, recognising its potential to reduce litigation and foster amicable settlements<sup>23</sup>.

#### 2.7.3 Conciliation:

Conciliation occupies a middle ground between arbitration and mediation. Like mediation, it is a non-adjudicatory process aimed at achieving a mutually agreed settlement. However, the conciliator plays a more proactive role, often suggesting possible solutions and guiding the parties towards agreement.

Conciliation is formally governed by Part III of Arbitration and Conciliation Act, 1996, which provides a structured framework for its conduct. A notable feature of conciliation is that settlement agreement reached through this process has same legal status as arbitral award on agreed terms, thus ensuring enforceability<sup>24</sup>.

#### 2.7.4 Negotiation:

Negotiation is most basic and informal approach of dispute resolution, involving direct interaction between the parties without involvement of third party. This is often first step in addressing a conflict and may occur even before any formal legal process is initiated. Despite its informal nature,

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<sup>22</sup>*Bharat Aluminium Co. v. Kaiser Aluminium Technical Services Inc.*, (2012) 9 SCC 552.

<sup>23</sup>*Afcons Infrastructure Ltd. v. Cherian Varkey Construction Co. (P) Ltd.*, (2010) 8 SCC 24.

<sup>24</sup>Section 74, Arbitration and Conciliation Act, 1996 (status of conciliation settlement).

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negotiation plays a foundational role in the ADR framework. Many disputes that eventually proceed to mediation or arbitration begin as negotiations, and even during formal proceedings, negotiated settlements remain a common outcome<sup>25</sup>.

### 2.7.5 Lok Adalats:

Lok Adalats were particularly successful in resolving large volumes of disputes, involving motor accident claims, family disputes, labour issues, and matters relating to public utility services. Their accessibility and user-friendly procedures make them especially valuable for individuals who might otherwise find formal legal system difficult to navigate<sup>26</sup>.

A distinctive feature of Lok Adalats is that their awards are final, binding, enforceable as decrees of a civil court, with no provision for appeal<sup>27</sup>.

### 2.8 Role of Judiciary in Promoting ADR:

The growth of ADR in India cannot be fully understood without acknowledging the decisive role played by the judiciary. This judicial engagement reflects a broader awareness that the effectiveness of justice system depends not only on adjudication, but also on the availability of meaningful alternatives<sup>28</sup>. One of the most visible contributions of the judiciary has been its consistent effort to address the problem of mounting case pendency. Recognising that conventional litigation alone cannot adequately meet the demands of a vast and diverse population, courts have increasingly turned to ADR as a practical solution. Through provisions such as Section 89 of the Code of Civil Procedure, 1908, judges are empowered to guide parties towards mediation,

conciliation, arbitration, and Lok Adalats wherever the possibility of settlement exists<sup>29</sup>.

### 2.9 Advantages of ADR Mechanisms:

ADR has steadily gained prominence in India not merely as a substitute for litigation, but as more practical and responsive way of addressing disputes. Its growing acceptance stems from the distinct advantages it offers over the conventional court process advantages that are particularly relevant in a system often burdened by delays, costs, and procedural complexity. One of most crucial strengths of ADR lies in its ability to minimize both time and cost.

### 2.10 Challenges and Limitations of ADR:

While ADR has emerged as valuable complement to formal judicial system, its effectiveness is not without constraints. The promise of quicker, more accessible justice often depends on how well these mechanisms are understood, implemented, and trusted. In practice, several structural and perceptual challenges continue to limit the full potential of ADR in India. A major concern is the *limited level of public awareness*. Closely related to this is the issue of *inadequate infrastructure* and institutional capacity. Another challenge arises from *resistance within sections of the legal profession*. These challenges do not diminish the value of ADR, but rather highlight the need for careful and continuous refinement. Addressing them requires a multi-dimensional approach enhancing public awareness, strengthening institutional capacity, encouraging professional acceptance, and ensuring robust safeguards against misuse.

### 2.12 Contemporary Developments in ADR:

The evolution of ADR in India has been dynamic and responsive to the changing needs of society, technological advancements, and the demands of a globalized economy. In recent years, ADR has witnessed significant transformation, extending beyond its traditional forms through the adoption of innovative mechanisms, strengthened institutional frameworks, and progressive legislative reforms. These contemporary developments reflect a growing commitment to making dispute resolution more efficient, accessible, cost-effective, and responsive to the

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<sup>25</sup>Roger Fisher & William Ury, *Getting to Yes: Negotiating Agreement Without Giving In* (Penguin, 1981).

<sup>26</sup>Law Commission of India, 222nd Report on Need for Justice-dispensation through ADR etc.(2009).

<sup>27</sup>Section 21, Legal Services Authorities Act, 1987 (award of Lok Adalat deemed to be a decree of a civil court).

<sup>28</sup>N.R. Madhava Menon, *Law and Justice: A Blueprint for Reform* (Universal Law Publishing, 2003).

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<sup>29</sup>Section 89, Code of Civil Procedure, 1908 (court's power to refer disputes to ADR).

complexities of modern legal and commercial relationships.

One of the most notable developments is the rise of **Online Dispute Resolution** (ODR). With the increasing integration of technology into legal processes, dispute resolution is no longer confined to physical spaces<sup>30</sup>. ODR platforms enable parties to resolve disputes by virtual mediation, arbitration, and negotiation, often without the need for face-to-face interaction<sup>31</sup>. This model gained particular momentum during the COVID-19 pandemic, when physical courts faced operational limitations. Beyond convenience, ODR has opened new possibilities to resolve low-value, high-volume disputes like those arising from e-commerce and digital transactions thereby expanding the reach of ADR to previously underserved areas.

Another important trend is the growing emphasis on **institutional arbitration**. Traditionally, arbitration in India has been largely ad hoc, which has sometimes led to inconsistencies and procedural inefficiencies<sup>32</sup>. Recognising these challenges, significant efforts have been made to promote institutional arbitration through the establishment and strengthening of arbitral institutions that provide structured procedures, administrative support, and professional case management. This shift seeks to enhance the efficiency, transparency, and credibility of arbitral proceedings, ensure greater consistency in outcomes, and strengthen India's position as a preferred destination for domestic and international arbitration.

In addition, there has been a significant expansion in the scope and functioning of Lok Adalats under the Legal Services Authorities Act, 1987. These forums have evolved from handling simple disputes to addressing wider range of cases, involving matters related to public utility services and, increasingly, digital and financial disputes<sup>33</sup>. The concept of e-Lok Adalats has further

extended their reach, enabling large-scale disposal of cases through virtual platforms.

Another emerging dimension is the increasing **integration of ADR into the formal judicial system**. Courts are now more proactive in referring cases to mediation and other ADR processes, supported by dedicated mediation centres and trained professionals<sup>34</sup>. This institutionalization reflects a deeper acceptance of ADR as vital part of justice delivery, instead of peripheral alternative. From a broader perspective, these developments indicate shift towards more user-centric and future-oriented approach to dispute resolution.

However, these advancements have also introduced new challenges, including the need for reliable digital infrastructure, uniform procedural standards, data security, and the protection of principles of natural justice in virtual proceedings. Effectively addressing these concerns is essential for ensuring the credibility, fairness, and long-term success of ADR reforms in India.

Contemporary developments in ADR reflect a continuous process of innovation and adaptation to the evolving needs of society and the economy. Through the integration of technology, strengthening of institutional mechanisms, and expansion of its scope, ADR in India is emerging as a more dynamic, efficient, and inclusive system of dispute resolution. These developments not only improve the effectiveness of dispute settlement but also reinforce the broader objective of ensuring accessible, timely, and responsive justice in a rapidly changing social and commercial environment.

### 2.13 Critical Analysis:

ADR has undoubtedly reshaped the landscape of dispute resolution in India by making justice more accessible, cost-effective, and time-efficient. Its contribution to reducing judicial backlog and expanding access to legal remedies is both substantial and widely acknowledged. However, the effectiveness of ADR cannot be measured solely by the number of disputes resolved or the speed with which settlements are achieved. Rather, its true success depends on the quality, fairness, and sustainability of outcomes, as well as its ability to preserve relationships, uphold procedural

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<sup>30</sup> NITI Aayog, ODR Policy Plan for India (2021).

<sup>31</sup> Ethan Katsh & Orna Rabinovich-Einy, *Digital Justice: Technology and the Internet of Disputes* (Oxford University Press, 2017).

<sup>32</sup> O.P. Malhotra & Indu Malhotra, *The Law and Practice of Arbitration and Conciliation*, 3rd ed. (LexisNexis, 2014).

<sup>33</sup> National Legal Services Authority (NALSA), *Annual Report* (latest available edition).

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<sup>34</sup> *The Code of Civil Procedure*, 1908, § 89; *Afcons Infrastructure Ltd. v. Cherian Varkey Construction Co. (P) Ltd.*, (2010) 8 SCC 24.

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justice, and inspire confidence among disputing parties. Consequently, any assessment of ADR must extend beyond quantitative achievements and consider its broader impact on the administration of justice and the realization of equitable dispute resolution<sup>35</sup>. Its true value lies in the quality, fairness, and sustainability of the outcomes it produces<sup>36</sup>.

ADR represents a progressive alternative to traditional litigation by promoting flexible, collaborative, and participatory methods of dispute resolution. Mechanisms such as mediation, conciliation, and Lok Adalats provide parties with less formal, more amicable, and cost-effective avenues for resolving disputes, thereby enhancing access to justice, particularly for those who may find the formal judicial system inaccessible due to cost, delay, or procedural complexity.

However, the effectiveness of ADR depends largely on its implementation. An excessive emphasis on speed and settlement may sometimes compromise fairness, reducing justice to mere dispute disposal. Moreover, since ADR is founded on voluntariness, power imbalances between parties can affect the fairness of outcomes. Weaker parties may agree to settlements due to social, economic, or informational disadvantages, raising concerns about the legitimacy and equity of ostensibly consensual resolutions.

Another dimension of concern relates to the **quality and consistency of outcomes**. Unlike court judgments, which are subject to structured reasoning and appellate scrutiny, ADR settlements particularly in mediation may not always reflect a thorough consideration of legal rights and obligations<sup>37</sup>. While flexibility is one of the strengths of ADR, it also necessitates safeguards to ensure that this flexibility does not lead to arbitrary or inequitable results.

ADR is not intended to replace the formal judicial system but to complement it. While many disputes can be effectively resolved through ADR mechanisms, matters involving complex legal issues or significant public interest often require authoritative judicial adjudication. The key challenge lies in maintaining an appropriate balance between ADR and litigation, ensuring that each mechanism is employed where it is most suitable.

The focus, therefore, should not be on whether ADR should be promoted, but on how it can be strengthened through improved institutional capacity, professional training, public awareness, and adequate safeguards for vulnerable parties. Effective judicial oversight also remains essential to preserving the integrity of the process. Ultimately, ADR is an indispensable component of the justice delivery system. Its success depends on balancing efficiency with fairness and ensuring that the principles of voluntariness, equity, and informed consent remain central to dispute resolution. Only then can ADR achieve its true objective of delivering meaningful and accessible justice.

### 2.14 Conclusion:

ADR has become integral component of Indian legal system, offering innovative solutions to longstanding challenges. Backed by constitutional principles and statutory support, ADR mechanisms have the potential to transform the justice delivery system. Though, their success depends on continuous reforms, judicial oversight, and public awareness. By ensuring that ADR remains accessible, fair, and effective, India can move closer to attaining constitutional goal of equal justice for all.

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<sup>35</sup> . S. Krishnamurthy, "Alternative Dispute Resolution in India: A Critical Study," (2010) 52 *Journal of the Indian Law Institute* 215.

<sup>36</sup>M. Jagannadha Rao, "Concept of ADR and Mediation in India," (2007) *Journal of the Indian Law Institute*.

<sup>37</sup>M. Jagannadha Rao, "Concept of ADR and Mediation in India," (2007) *Journal of the Indian Law Institute*.